

# **2013 DRAFTING REQUEST**

## **Bill**

Received:	<b>8/5/2013</b>	Received By:	<b>mshovers</b>
Wanted:	<b>As time permits</b>	Same as LRB:	
For:	<b>Peter Barca (608) 266-5504</b>	By/Representing:	<b>Matt</b>
May Contact:		Drafter:	<b>mshovers</b>
Subject:	<b>Tax, Individual - income credit</b>	Addl. Drafters:	
		Extra Copies:	

Submit via email: **YES**  
 Requester's email: **Rep.Barca@legis.wisconsin.gov**  
 Carbon copy (CC) to:

## **Pre Topic:**

No specific pre topic given

## **Topic:**

Index the Homestead Tax Credit for inflation. Based on b0440/1

## **Instructions:**

See attached. Index the homestead tax credit.

## **Drafting History:**

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	mshovers 8/5/2013	kfollett 8/6/2013	rschluet 8/6/2013	_____			
/1				_____	srose 8/6/2013	lparisi 8/6/2013	State

FE Sent For:

<END>

*@*  
*INTRO.*

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/? mshovers

11 MS 8/5/13 86B

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FE Sent For:

<END>



ASSEMBLY AMENDMENT ,  
TO ASSEMBLY SUBSTITUTE AMENDMENT 1,  
TO ASSEMBLY BILL 40

Instruction

1 At the locations indicated, amend the substitute amendment as follows:

2 1. Page 834, line 17: after that line insert:

3 "SECTION 1434p. 71.54 (1) (f) (intro.) of the statutes is amended to read:

4 71.54 (1) (f) 2001 to 2011 and thereafter (intro.) Subject to sub. (2m), the  
5 amount of any claim filed in 2001 ~~to 2011~~ and thereafter and based on property taxes  
6 accrued or rent constituting property taxes accrued during the previous year is  
7 limited as follows:

8 SECTION 1434pe. 71.54 (1) (g) of the statutes is repealed.

9 SECTION 1434pf. 71.54 (2) (b) 3. of the statutes is amended to read:

10 71.54 (2) (b) 3. Subject to sub. (2m), in calendar years ~~1990 to 2010~~ year 1990  
11 or any subsequent calendar year, \$1,450.

12 SECTION 1434pg. 71.54 (2) (b) 4. of the statutes is repealed.

INSTRUCTIONS

**SECTION 1434ph.** 71.54 (2m) of the statutes is amended to read:

71.54 (2m) INDEXING FOR INFLATION; ~~2010~~ 2013 AND THEREAFTER. (a) For calendar years beginning after December 31, 2009, and before January 1, ~~2011~~ 2012, the dollar amounts of the threshold income under sub. (1) (f) 1. and 2., the maximum household income under sub. (1) (f) 3. and the maximum property taxes under sub. (2) (b) 3. shall be increased each year by a percentage equal to the percentage change between the U.S. consumer price index for all urban consumers, U.S. city average, for the 12-month average of the U.S. consumer price index for the month of August of the year before the previous year through the month of July of the previous year and the U.S. consumer price index for all urban consumers, U.S. city average, for the 12-month average of the U.S. consumer price index for August 2007 through July 2008, as determined by the federal department of labor, except that the adjustment may occur only if the percentage is a positive number. Each amount that is revised under this paragraph shall be rounded to the nearest multiple of \$10 if the revised amount is not a multiple of \$10 or, if the revised amount is a multiple of \$5, such an amount shall be increased to the next higher multiple of \$10. The department of revenue shall annually adjust the changes in dollar amounts required under this paragraph and incorporate the changes into the income tax forms and instructions.

(b) The department of revenue shall annually adjust the slope under sub. (1) (f) 2. such that, as a claimant's income increases from the threshold income as calculated under par. (a), to an amount that exceeds the maximum household income as calculated under par. (a), the credit that may be claimed is reduced to \$0 and the department of revenue shall incorporate the changes into the income tax forms and instructions."

**(END)**



State of Wisconsin  
2013 - 2014 LEGISLATURE

2852/1



LRB-1001/1  
MES:kjfjf

PMR

Wanted  
8/9

2013 BILL

1 AN ACT *to repeal* 71.54 (1) (g) and 71.54 (2) (b) 4.; and *to amend* 71.54 (1) (f)  
2 (intro.), 71.54 (2) (b) 3. and 71.54 (2m) of the statutes; **relating to:** restoring  
3 indexing provisions to the homestead tax credit.

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***Analysis by the Legislative Reference Bureau***

Under current law, the homestead tax credit formula factors (maximum income, maximum property taxes, and income threshold) are not indexed for inflation after 2010. This bill repeals those provisions and restores former law. Under the bill, the homestead tax credit formula factors would be indexed for inflation for 2013 and beyond.

For further information see the **state** fiscal estimate, which will be printed as an appendix to this bill.

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***The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:***

4 SECTION 1. 71.54 (1) (f) (intro.) of the statutes is amended to read:  
5 71.54 (1) (f) ~~2001 to 2011~~ and thereafter. (intro.) Subject to sub. (2m), the  
6 amount of any claim filed in 2001 ~~to 2011~~ and thereafter and based on property taxes

**BILL****SECTION 1**

1 accrued or rent constituting property taxes accrued during the previous year is  
2 limited as follows:

3 **SECTION 2.** 71.54 (1) (g) of the statutes is repealed. ✓

4 **SECTION 3.** 71.54 (2) (b) 3. of the statutes is amended to read:

5 71.54 (2) (b) 3. Subject to sub. (2m), in calendar ~~years 1990 to 2010~~ year 1990  
6 or any subsequent calendar year, \$1,450. ✓

7 **SECTION 4.** 71.54 (2) (b) 4. of the statutes is repealed. ✓

8 **SECTION 5.** 71.54 (2m) of the statutes is amended to read:

9 71.54 (2m) INDEXING FOR INFLATION; ~~2010~~ 2013 AND THEREAFTER. (a) For calendar  
10 years beginning after December 31, 2009, ~~and before January 1, 2011~~ 2012, the dollar  
11 amounts of the threshold income under sub. (1) (f) 1. and 2., the maximum household  
12 income under sub. (1) (f) 3. and the maximum property taxes under sub. (2) (b) 3. shall  
13 be increased each year by a percentage equal to the percentage change between the  
14 U.S. consumer price index for all urban consumers, U.S. city average, for the  
15 12-month average of the U.S. consumer price index for the month of August of the  
16 year before the previous year through the month of July of the previous year and the  
17 U.S. consumer price index for all urban consumers, U.S. city average, for the  
18 12-month average of the U.S. consumer price index for August 2007 through July  
19 2008, as determined by the federal department of labor, except that the adjustment  
20 may occur only if the percentage is a positive number. Each amount that is revised  
21 under this paragraph shall be rounded to the nearest multiple of \$10 if the revised  
22 amount is not a multiple of \$10 or, if the revised amount is a multiple of \$5, such an  
23 amount shall be increased to the next higher multiple of \$10. The department of  
24 revenue shall annually adjust the changes in dollar amounts required under this  
25 paragraph and incorporate the changes into the income tax forms and instructions.

# BILL

(b) The department of revenue shall annually adjust the slope under sub. (1)

(f) 2. such that, as a claimant's income increases from the threshold income as calculated under par. (a), to an amount that exceeds the maximum household income as calculated under par. (a), the credit that may be claimed is reduced to \$0 and the department of revenue shall incorporate the changes into the income tax forms and instructions.

**(END)**



**Parisi, Lori**

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**From:** McGuire, Thaddeus  
**Sent:** Tuesday, August 06, 2013 1:08 PM  
**To:** LRB.Legal  
**Subject:** Draft Review: LRB -2852/1 Topic: Index the Homestead Tax Credit for inflation. Based on b0440/1

Please Jacket LRB -2852/1 for the ASSEMBLY.